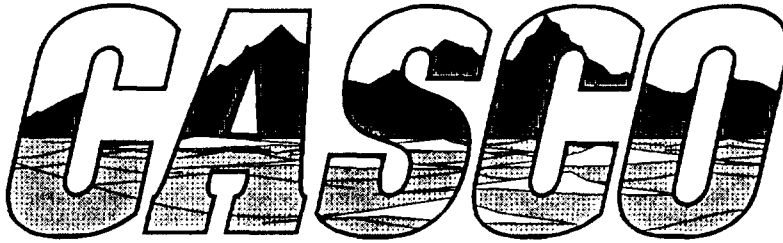


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Blachly-Lane County
Cooperative Electric
Association
90680 Highway 99
Eugene, OR 97402
688-8711

William F. Caton
Secretary
Federal Communications Commission
1919 M St. NW Rm. 222
Washington, DC 20554

To the Honorable William F. Caton:

I have enclosed a copy of a letter I sent today to FCC Chariman Hundt regarding the Cable Competition Report.

Thank you for your consideration in this matter.

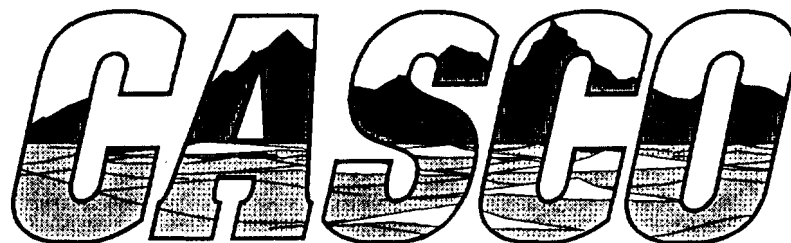
Sincerely,

LeeEllen Brown
General Manager

Consumers Power
Inc.
6990 SW West Hills
Road
PO Box 1180
Philomath, OR 97370
929-3124 or
1-800-872-9036

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The Honorable Reed Hundt
Chairman
Federal Communications Commission
1919 M Street, NW, Rm. 814
Washington, DC 20554

Subject: Cable Competition Report
CS Docket No. 94-48

Dear Chairman Hundt:

As a cooperative formed by two rural electric and one rural telephone provider, and as a member of the National Rural Telecommunications Cooperative (NRTC), Casco Communications is a distributor of Rural TV for C-band systems and the DIRECTVtm direct broadcast satellite (DBS) television service. As such, my company is directly involved in bringing satellite television to rural consumers.

This letter is to voice my support of the Comments of the NRTC in the matter of Implementation of Section 19 of the Cable Television Consumers Protection and Competition in the Market for the Delivery of Video Programming, CS Docket No. 94-48.

Casco Communications' ability to compete in our local rural marketplace is being hampered by our lack of access to programming owned by Time Warner and Viacom, despite passage of the 1992 Cable Act.

This programming, including some of the most popular cable networks like HBO and Showtime and other premium movie channels is available only to my principal competitor, the United States Satellite Broadcasting Co. (USSB), as a result of an "exclusive" contract signed between USSB and Time Warner/Viacom.

However, none of the programming contracts signed by DIRECTVtm are exclusive in nature, and USSB is free to obtain rights to sell any of the channels available from DIRECTV.

Mr. Hundt, Casco Communications agrees with the NRTC that these exclusive programming contracts do not comply with the intent of the 1992 Cable Act. I believe the Act prohibits any arrangement that prevents any distributor from gaining access to

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programming to serve non-cabled rural areas. Currently, if one of my customers also wishes to receive Time Warner/Viacom channels, that customer must purchase a second subscription to the USSB service. I cannot provide competition with USSB for these services, and without competition the price of the Time Warner/Viacom channels is kept unnecessarily high.

Not being able to offer HBO, Showtime and the other USSB channels to my customers has also adversely affected my ability to compete against other sources for television in my area. For several years rural customers have been requesting that Casco's parent electric and telephone cooperatives provide them with quality information and entertainment television from a local service provider that is comparable to cable, which is not available to them. At last, through the availability of the DBS system, the technology is here; but I cannot provide service comparable to cable for these rural customers. I can provide some of the services they have been going without for years, but not the premium channels they know are available to cable subscribers in the urban areas. Now I have customers who cannot understand why I cannot provide them with these services.

Through their membership in the three parent cooperatives, these customers have invested in this project to provide quality and choice in television programming through a local source they can trust. Casco cannot provide the services for the premium offerings available only through USSB, nor can we assure our customers of quality customer service, or local resolution of billing problems, as we can with their DIRECTV programming. Instead, my customers must have two subscriptions, two monthly bills, make payments to two separate companies, and receive no local service for their USSB programming. Cable customers are not required to jump through these kind of hoops to have access to television programming. Rural customers should have the same opportunity and availability of quality television as those with access to cable.

We believe very strongly that the 1992 Cable Act flatly prohibits any exclusive arrangements that prevent any distributor from gaining access to cable programming to serve rural non-cabled areas. That is why we supported the Tauzin Amendment, embodied in Section 19 of the Act.

Casco Communications is asking the FCC to banish the type of exclusionary arrangements represented by the USSB/Time Warner/Viacom deal, and in so doing remedy these problems so that the effective competition requirements of Section 19 become a reality for customers in my section of Rural America.

Thank you for your consideration in this matter.

Sincerely,

LeeEllen Brown
General Manger

c:

The Hon. Representative Ron Wyden
The Hon. Representative Peter A. DeFazio
The Hon. Representative Robert F. Smith
The Hon. Senator Mark O. Hatfield
The Hon. Senator Robert Packwood
✓ William F. Caton, Secretary
The Hon. James H. Quello
The Hon. Andrew C. Barrett
The Hon. Susan Ness
The Hon. Rachelle B. Chong